

2012 OLYMPIC COSTS 'NOT FULLY THOUGHT THROUGH'

The UK parliament's culture, media and sport committee criticised the rising costs of the London 2012 Olympic Games, citing "faulty" cost estimates.

The report authors say they are "disturbed" that the projected cost of hosting the Games has increased by £900 million since the bid was made and warn that the national lottery and London taxpayers 'must not fund Olympics'.

"We can only conclude that cost-control procedures were not fully thought through at the time the bid was submitted," the report said.

"The committee is concerned about the distance between the figures submitted in the bid and the true costs, which will not become evident until after the Games."

It warned that doubts about final costs must be resolved if public confidence is to be maintained. The report said the Treasury should help with the extra costs by foregoing the tax payable on Olympics proceeds, while the London Development Agency should give more from profits from land sales.

The government argues that much of the cost will ensure London a good and long-term Games legacy.

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